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Testimony Regarding:

Karen Siegel, M.P.H. Appropriations Committee March 5, 2019

Senator Osten, Representative Walker, Senator Formica, Representative Lavielle, and esteemed members of the Appropriations Committee,

I submit this testimony on behalf of Health Equity Solutions, an organization focused on enhancing health equity in the state of Connecticut. Thank you for this opportunity to submit testimony regarding the Governor's proposed budget adjustments for the Department of Social Services.

We strongly support the efforts of the Governor's budget to maintain the quality of and access to the HUSKY Health Medicaid and CHIP programs. We further laud efforts to pursue innovative paths to delivering whole-person care, such as the Medicaid supportive housing program implemented by the biennial budget for FY20 and FY21. We are hopeful that careful evaluation of this program and its impact on health equity will lead to future iterations of this model of sharing data and resources across state agencies. Advancing health equity will require approaches that tie our health systems to our communities and address the social determinants of health that have a disproportionately negative impact on Connecticut's residents of color.

Other changes to Medicaid implementation authorized by the FY20-21 budget remain unclear. For example, the methodology for implementing the utilization management and hospital readmission rate reduction programs have yet to be shared. While these measures have the potential to improve care and save costs, they also have the potential to widen racial and ethnic disparities in health outcomes. For example, hospital readmission rate reduction programs have been criticized for failing to control for quality or consider socio-economic needs that may lead to excess hospital utilization. When relying on algorithms that utilize claims data, people of color are at risk of being left out or disadvantaged due to lower historical rates of health care utilization. In other words, when we only look at the health care people have accessed in the past, we perpetuate gaps in access in the future by assuming these communities do not need care.

¹ NEJM Catalyst. (2018). "Hospital Readmissions Reduction Program (HRRP)." Retrieved from: https://catalyst.nejm.org/hospital-readmissions-reduction-program-hrrp/



We urge the committee to consider restoring eligibility rates for parents in HUSKY A to 201% of the federal poverty level (\$43,657 for a family of three). This would align parent and child eligibility, eliminating confusion about which members of a family can have HUSKY coverage. It is also a timely issue, as Medicaid is the most expensive and likely the first "benefit cliff" that will be reached as the minimum wage increases. Further, there are no affordable health insurance options for adults in this income range. The total out-of-pocket costs for purchasing coverage on AccessHealth with cost-sharing subsidies can be over 15% of a family's annual income. Disparities in health insurance coverage rates suggest that this is particularly important for Connecticut's Black and Latino communities.

Finally, advancing health equity and racial and ethnic equity in Connecticut will require modernizing the state's budget and budget processes to facilitate long-term planning and the transformation of our state's health systems.

Thank you for the opportunity to submit this testimony regarding the Governor's proposed budget for the Department of Social Services. I can be reached with any questions at ksiegel@hesct.org or 860.937.6437.

³ See American Community Survey. "S2701: Selected Characteristics of Health Insurance Coverage in the United States."

² Information calculated on AccessHealthCT.com for families of multiple sizes and ages. Out-of-pocket costs and premiums were considered for both silver and bronze plans and the least expensive plans were used.